

1 AN ACT relating to health savings account-qualified insurance plans.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF SUBTITLE 1 OF KRS CHAPTER 304 IS
4 CREATED TO READ AS FOLLOWS:

5 (1) As used in this section:

6 (a) "Cost-sharing requirement" means a:

- 7 1. Prohibition outright on the imposition of any deductible, copayment,
8 coinsurance, or other out-of-pocket expense, other than premiums,
9 under a health insurance policy, certificate, plan, or contract; or
10 2. Limitation on the amount of any deductible, copayment, coinsurance,
11 or other out-of-pocket expense, other than premiums, that is imposed
12 under a health insurance policy, certificate, plan, or contract;

13 (b) "Enrollee":

- 14 1. Means an individual who is enrolled in health insurance, whether on
15 an individual or a group basis; and
16 2. Includes any covered dependent of an individual referenced in
17 subparagraph 1. of this paragraph; and

18 (c) "Health savings account-qualified insurance plan" means a high
19 deductible health plan that covers individuals who may be entitled to receive
20 certain tax benefits under 26 U.S.C. sec. 223, as amended, with respect to
21 contributions made to a health savings account.

22 (2) If, under federal law, the application of any cost-sharing requirement in this
23 chapter or any other state law would cause an enrollee's health savings account-
24 qualified insurance plan to no longer qualify as a high deductible health plan
25 under 26 U.S.C. sec. 223, as amended, then the cost-sharing requirement shall
26 only apply to the enrollee's plan once the minimum deductible under 26 U.S.C.
27 sec. 223, as amended, has been satisfied.

1 (3) In the event of a conflict between this section and any other state law, this section
2 shall control.

3 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 18A IS CREATED TO
4 READ AS FOLLOWS:

5 Notwithstanding any provision of this chapter to the contrary, the cost-sharing
6 requirements in this chapter shall be subject to Section 1 of this Act.

7 ➔Section 3. Sections 1 and 2 of this Act apply to policies, certificates, plans, and
8 contracts issued or renewed on or after the effective date of this Act.

9 ➔Section 4. The purpose of Section 1 of this Act is to protect the efficacy of
10 Health Savings Account-qualified insurance plans in this state by establishing a safe
11 harbor from state benefit mandates that would result in a health insurance policy,
12 certificate, plan, or contract losing its health savings account-qualified status under
13 federal law.

14 ➔Section 5. Section 1 of this Act may be cited as the Health Savings Account
15 State-Federal Regulatory Coordination Model Act.